GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1868
ANSWERED ON:29.11.2002
COFFEE PRODUCTIONS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the coffee production in the country during each of the last three years alongwith productivity for per hectare of land, State-wise;

(b) the size of average plantation holdings, State-wise;

(c) the consumption of coffee in the country and amount of export of coffee with destination countries, type-wise;

(d) whether coffee prices have been falling down for the last several years, if so, the reasons therefor alongwith the details of price for the last three years;

(e) whether due to fall of coffee price, coffee growers are facing lots of financial difficulties;

(f) if so, the packages proposed for coffee planters and the alternative programme to maintain prices for the benefit of growers and for earning of more foreign exchange;

(g) whether the Government are planning to install coffee processing industries for producing quality instant coffee in order to attract export markets; and

(h) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)
(a) State-wise coffee production and productivity in the country during the last three years is given below:

(Production Qty.in MT/Productivity in Kg/ha.)

State	1999-2000	2000-01	2001-02	Average Productivity
Karnataka	209100	210950	208670	1045
Kerala	60470	70550	66690	787
Tamil Nadu	19400	16450	21630	705
Andhra Pradesh	2176	2220	2500	143
Orissa	152	180	400	209
North Eastern Region & Non-Conventional areas	702	850	710	88

(b) The size of average plantations holdings-in numbers, state-wise, is given below:

Size (Ha)	Karnataka	Kerala	Tamilnadu	Others	Total
Small Holdings (0-10 ha.)	52621	76997	14085	10508	154211
Large Holdings (above 10 ha.)	1918	307	351	24	2600
Total (India)	54539	77304	14436	10532	156811

(c) The average annual consumption of coffee in the country is around 60,000 MT. The quantity of coffee exported during the years 1999-2000, 2000-01 and 2001-02 has been 2.45 lakh tonnes (value Rs.1901 crores), 2.47 lakh tonnes (value Rs.1377 crores) and 2.13 lakh tonnes (value Rs.1049 crores) respectively. The Indian coffee is exported to over 60 countries of the world. Some of the leading countries importing Indian coffee are Italy, Russian Federation, Germany, Belgium, Spain, Slovenia, USA, Japan, Greece, Kuwait, Switzerland etc. The details of destination-wise coffee exportsare available in the Foreign Trade Statistics of India published by the Directorate General of CommercialIntelligence and Statistics(DGC&IS), Kolkata, copies of which are available in the Parliament Library.

(d)& (e): In the recent years, the coffee prices have fallen due to surplus coffee production by the coffee producing countries overtaking the consumption of coffee. The price fall has affected all the coffee producing countries including India and the coffee growers in India are not getting the same prices today as they were getting 2-3 years ago. The average coffee prices available to the growers during the last three years are as under:

Year	Price (Rs./kg.)	
	Arabica	Robusta
1999	81	60
2000	80	40
2001	56	29

(f) The Govt. of India through Coffee Board has been implementing various plan schemes for development of coffee under which various types of financial/technical assistance are provided to the coffee growers. Further, thrust is being given for increasing productivity of coffee and improving quality of the produce to achieve competitiveness in the international markets. Concerned with the problems being faced by the coffee growers, the Govt. of India have in the recent past taken a number of initiatives for the benefit of coffee growers such as restructuring the term loans as well as crop loans availed by the coffee growers, providing 5% interest relief to small growers on the working capital loans taken by them from financial institutions, package of incentives for export of coffee and innovative marketing strategies in the international as well as domestic markets to arrest the decline in exports and also to increase domestic consumption etc. In addition, the 10th Five Year Plan programmes and schemes of the Coffee Board have been formulated to ensure long-term development of the sector. Recently, at the request of the Government, the National Bank for Agricultural and Rural Development (NABARD) has also set up a `Plantation Industry Cell`, for providing prompt attention to the credit related problems of the plantation industry.

(g) No, Sir.

(h) Does not arise.